GOVERNMENT OF INDIA
PETROLEUM AND NATURAL GAS
LOK SABHA

UNSTARRED QUESTION NO:3474
ANSWERED ON:08.08.2016
Net Profit of GAIL
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Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether the turnover and net profit of Gas Authority of India Limited (GAIL) has been drastically reduced over the years and if so, the details thereof and the reasons therefor along with the steps taken/being taken by the Government to increase the profits in the coming years; and
(b) whether the decline in oil prices has downgraded the rating of ONGC and Oil India Limited despite strong liquidity/cash positions and if so, the details thereof along with the steps taken in this regard?

Answer

MINISTER OF STATE (INDEPENDENT CHARGE) IN THE MINISTRY OF PETROLEUM & NATURAL GAS (SHRI DHARMENDRA PRADHAN)
(a): The details of Turnover and Profit after Tax of GAIL during the last three years are as under:
(Rs. in Cr.)
Financial Year
Turnover/Sales (Net of Excise duty)
Profit After Tax
2013-14
57,245
4,375
2014-15
56,569
3,039
2015-16
51,614
2,299
The reasons for fall in turnover and profit and the steps taken to improve performance are at Annexure-I and Annexure-II.
(b): For Oil India Limited, the International Credit Ratings have not been downgraded. During their last review in February,-March, 2016, the International Credit Rating Agencies Moody's & Fitch have maintained the Credit Ratings of the Company at 'Baa2' & 'BBB-' respectively.
For ONGC, Moody's have maintained the ratings as 'Baa1' with stable outlook for domestic currency and 'Baa2' with stable outlook for foreign currency. S&P in view of the low crude oil price assumptions has revised stand alone credit profile of ONGC from 'a' to 'a-'. However, S&P has affirmed ONGC's long term corporate credit rating at 'BBB-' with stable outlook.
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